



MONARCH
NETWORK CAPITAL

Date: 23/08/2022

To, BSE Limited Phiroze Jeejeebhoy Towers, Dalal Street, Fort Mumbai - 400 001 Scrip Code: 511551	To, National Stock Exchange of India Ltd Exchange Plaza, C-1, Block G, Bandra Kurla Complex, Bandra (East), Mumbai - 400 051 Symbol: MONARCH
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Sub: Business Update

Monarch Network Capital raises INR 252 crores in its second Cat-3 AIF.

Company plans to infuse INR1000cr in its existing and new businesses over the next 3 years. Gets interest from sovereign funds and family offices.

Monarch Alternative Investment Fund (AIF) has successfully raised INR 252 crore in its second closed-ended cat-3 equity AIF fund. This money was raised from a set of UHNIs, corporates and family offices. The entire fund raise was through the group's relationships, without appointing any intermediaries, said Vaibhav Shah, MD of Monarch Network Capital. He further added that with this launch, we are moving a step closer to our aspiration of foraying into mutual fund business; the application will be made to SEBI in this financial year. We aspire to generate superior risk-adjusted returns for our clients by investing in solid listed franchises which have a proven track record of consistency in cash flow, improving return ratios, healthy balance sheet, a clear moat in the business, and impeccable management pedigree. The first fund, launched in October 2020, has been run on the same principles and has established a satisfactory track record.

With noteworthy successes in all our business including the above, marquee investors including sovereign funds and family offices have evinced serious interest in partnering with the Company in its high-growth journey. Monarch Network plans to infuse INR 1000 crore in the next three years. This money is proposed to be utilized in newer business such as debt syndication, setting up of a bond trading desk, enhancing the SEBI approved fund-based activities, strengthening existing business and complete digitalization of retail broking. We want to stick to our ethos of "value creation" and along the said lines we wish to capitalize on our niche retail client base of over 3 lac clients through our well-curated and differentiated research services. We see a huge gap between our broking capabilities and the ability to leverage on the same through various fund-based / non-fund businesses. A step towards this direction will enable enhance the trust that clients have put us over the years in an otherwise highly competitive and rapidly digitalizing broking industry, commented Mr. Vaibhav Shah, MD of Monarch Network Capital. We have also embarked on a massive programme of recasting our digital presence through a new website, a mobile app, a reinvigorated social media strategy and investments in data analytics.

The group has posted a consolidated profit after tax of INR 57.8 crore in FY22. FY22 EPS stood at Rs. 18.6 and the Company has reported an industry-leading ROE of 41.9%. Net worth position remains healthy at Rs. 167cr. The Company has seen a 3-yr CAGR of 65.3 % in its profitability.

This is for your information and record.

Thanking you.

Yours faithfully,
For Monarch Network Capital Limited

Ashok Bafna
Whole Time Director
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